

Appropriations Committee

Health Subcommittee

February 24, 2022

Public Hearing on:

House Bill 5037 AAC the State Budget for the Biennium Ending June 30th, 2023

(Department of Developmental Services)

Good Evening, Senator Osten, Representative Walker, Senator Miner, Representative France and members of the Appropriations Committee. My Name is Anna Cardona, VP of Individuals and Family Supports at CCARC, Inc. serving over 200 hundred people with Intellectual Disabilities in the Greater New Britain Community. Our message is simple – it is critical to protect the essential community services that are provided to people with disabilities and maintain the staff that provide these services.

I want to thank you for the 4% Cost of Living Adjustment (COLA) for community nonprofits that you fought to include in last year's budget. I'd like to ask you to honor the long term plan to address underfunding of community nonprofits and increase funding this year by an additional \$461 million, or 8% in total for FY23. The increase in this year's budget, while very much appreciated, has quickly been absorbed by rising costs. Over the last year, inflation rose by almost six percent, surpassing the COLA in the current year's budget.

This funding is needed now more than ever. Without it, we risk destabilizing our state's community service delivery system which has been upended by the pressures of COVID-19 and an exponential increase in the need for service in our communities. At the same time, we're facing unprecedented challenges recruiting and retaining staff of all skill levels and salaries.

We appreciate that in the face of another difficult budget year Governor Lamont has sought to limit the budget impacting the people served by CCARC and other non- profits. With this being said, it is now an opportunity to have the state consider these cost to be fixed cost to the state budget. We continue to sign contracts with the state of Connecticut recognizing that the amounts of the contracts are underfunded and do not pay for the full cost of care. These contracts represent millions of dollars and provide the necessary services to our most vulnerable citizens. We do this because the people we support and their families depend on us, and as human service provider we have somehow made it work. Unfortunately, this goodwill cannot continue without risking the stability of our nonprofit community providers.

Nonprofit Providers funded by the Department of Developmental Services are grateful for the efforts of the Appropriations Committee and Governor Lamont to address wage and funding issues specific to services for the Intellectual/Developmental Disabilities population. Last year's Group Home Settlement provided significant funding to increase the minimum wage for direct support staff in DDS agencies.

However, the group home settlement also created significant challenges:

- First, the terms of the settlement provided wage increases of as much as 11.6% for entry level staff, which next year will increase to 14.5%. But the agreement only provides a 3% increase to everyone else. Staff who before July were making only slightly above the new minimum, often people who had years or decades of experience or managing other staff, found themselves suddenly paid almost the same as a new hire.
- Second, the funding dedicated a pool of dollars to enhance employee benefits, but to date none of that funding has been disbursed to providers. We understand it to total less than half what providers have told DDS they would need.

Thank you,

Anna Cardona

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